

Service Date: July 11, 2006

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER OF LANDMARK)	UTILITY DIVISION
WATER CO., LLC, Application to)	
Increase Rates for Water Service in the)	DOCKET NO. D2005.5.75
Landmark Development Subdivision)	ORDER NO. 6704a

FINAL ORDER

History

1. On May 2, 2005, Landmark Water Co., LLC (LWC), filed before the Public Service Commission (PSC) an application to increase rates for water service to customers in the Landmark Development Subdivision near Belgrade, Montana. LWC requests approval of an increase its base rate from \$29.75 per month to \$43.88 per month. LWC's base rate includes the first 6,000 gallons of water usage per month, whether used or not. LWC proposes that the rate for water usage in excess of 6,000 gallons per month be increased from \$1.88 per 1,000 gallons to \$2.07 per 1,000 gallons.
2. In March 2003 the PSC approved LWC's existing rate structure on an interim (temporary) basis pending LWC operating experience and development of test year cost information. *See, Matter of Landmark Water Co., PSC Docket No. D2003.2.24, Order No. 6485, March 13, 2003.* LWC has been operating under that initial-rate interim order and has now developed a cost history.
3. On May 16, 2005, the PSC issued a public notice of LWC's application. The Montana Consumer Counsel (MCC) and Anthony Kolnik are the only intervenors in this proceeding. MCC advised the PSC that it would not be filing testimony in the matter. No testimony was received from Anthony Kolnik either. On March 15, 2006, the PSC issued another public notice regarding the matter. No requests for hearing or public comments were received.
4. The PSC determines that no further proceedings are required and a final order approving LWC's application should be issued.

Findings of Fact

5. LWC is presently operating under PSC approved initial interim rates. LWC's existing base rate is \$29.75 per month and includes the first 6,000 gallons of water used per month. LWC's existing usage rate, for usage above 6,000 gallons of water per month, is \$1.88 per 1,000 gallons used.
6. LWC proposes its base rate be increased to \$43.88 per month and its usage rate, for usage in excess of 6,000 gallons per month, be increased to \$2.07 per 1,000 gallons. LWC's base rate includes the first 6,000 gallons of water usage per month, whether used or not.
7. LWC's application for a rate increase is proper in form and content. LWC's application has been properly noticed to the public. No objections to LWC's request remain.
8. The PSC determines that LWC's requested base rate of \$43.88 per month and usage rate of \$2.07 per 1,000 gallons for usage in excess of 6,000 gallons are supported by LWC's application and are just and reasonable.

Conclusions of Law

1. LWC is a "public utility" within the meaning of that term at § 69-3-101, MCA.
2. The PSC has jurisdiction over the rates and quality of service of public utilities in accordance with Title 69, Chapter 3, MCA.

ORDER

IT IS HEREBY ORDERED:

1. LWC shall implement a base rate of \$43.88 per month. The base rate will include the first 6,000 gallons of water used per month, whether used or not. LWC shall implement a usage rate of \$2.07 per thousand gallons for usage in excess of 6,000 gallons per month.
2. The rates authorized replace the interim rates authorized in PSC Docket No. D2003.2.24, and that docket is closed.
3. LWC shall file tariffs in compliance with this Final Order within 30 days of the service date above.
4. This Order is effective for service rendered on and after August 1, 2006

Done and dated this 6th day of July, 2006 by a vote of 5 to 0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

GREG JERGSON, Chairman

BRAD MOLNAR, Vice-Chairman

DOUG MOOD, Commissioner

ROBERT H. RANEY, Commissioner

THOMAS J. SCHNEIDER, Commissioner

ATTEST:

Connie Jones
Commission Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.